

SENATE BILL No. 228

DIGEST OF INTRODUCED BILL

Citations Affected: IC 21-3.

Synopsis: Kindergarten funding. Provides that a kindergarten pupil counts as one pupil for the purposes of state distributions to school corporations if the kindergarten pupil is enrolled in a full-day kindergarten program. (Current law provides that a kindergarten pupil counts as one-half pupil.)

Effective: July 1, 1999; March 1, 2001.

Server, Sipes

January 6, 1999, read first time and referred to Committee on Education.

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First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

SENATE BILL No. 228

A BILL FOR AN ACT to amend the Indiana Code concerning education finance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 21-3-1.6-1.1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 1.1. As used in this
3 chapter:
4 (a) "School corporation" means any local public school corporation
5 established under Indiana law.
6 (b) "School year" means a year beginning July 1 and ending the next
7 succeeding June 30.
8 (c) "State distribution" due a school corporation means the amount
9 of state funds to be distributed to a school corporation in any calendar
10 year under this chapter.
11 (d) "Average daily membership" or "ADM" of a school corporation
12 means the number of eligible pupils enrolled in the school corporation
13 or in a transferee corporation on a day to be fixed annually by the
14 Indiana state board of education. Such day shall fall within the first
15 thirty (30) days of the school term. If, however, extreme patterns of
16 student in-migration, illness, natural disaster, or other unusual
17 conditions in a particular school corporation's enrollment on the



particular day thus fixed, cause the enrollment to be unrepresentative of the school corporation's enrollment throughout a school year, the Indiana state board of education may designate another day for determining the school corporation's enrollment. The Indiana state board of education shall monitor changes, which occur after the fall count, in the number of students enrolled in programs for children with disabilities and shall, before December 2 of that same year, make an adjusted count of students enrolled in programs for children with disabilities. The superintendent of public instruction shall certify the adjusted count to the budget committee before February 5 of the following year. In determining the ADM, each kindergarten pupil shall be counted as one-half (1/2) pupil **if the kindergarten pupil attends a half-day kindergarten program or one (1) pupil if the kindergarten pupil attends a full-day kindergarten program.** Where a school corporation commences kindergarten in a school year, the ADM of the current and prior calendar years shall be adjusted to reflect the enrollment of the kindergarten pupils. "Current ADM" of a school corporation used in computing its state distribution in a calendar year means the ADM of the school year ending in the calendar year. "ADM of the previous year" or "ADM of the prior year" of a school corporation used in computing its state distribution in a calendar year means the ADM of the school corporation for the school year ending in the preceding calendar year.

(e) "Additional count" of a school corporation, or comparable language, means the aggregate of the additional counts of the school corporation for certain pupils as set out in section 3 of this chapter and as determined at the times for calculating ADM. "Current additional count" means the additional count of the school corporation for the school year ending in the calendar year. "Prior year additional count" of a school corporation used in computing its state distribution in a calendar year means the additional count of the school corporation for the school year ending in the preceding calendar year.

(f) "Adjusted assessed valuation" of any school corporation used in computing state distribution for a calendar year means the assessed valuation in the school corporation, adjusted as provided in IC 6-1.1-34. The amount of the valuation shall also be adjusted downward by the state board of tax commissioners to the extent it consists of real or personal property owned by a railroad or other corporation under the jurisdiction of a federal court under the federal bankruptcy laws (11 U.S.C. 101 et seq.) if as a result of the corporation being involved in a bankruptcy proceeding the corporation is delinquent in payment of its Indiana real and personal property taxes



for the year to which the valuation applies. If the railroad or other corporation in some subsequent calendar year makes payment of the delinquent taxes, then the state superintendent of public instruction shall prescribe adjustments in the distributions of state funds pursuant to this chapter as are thereafter to become due to a school corporation affected by the delinquency as will ensure that the school corporation will not have been unjustly enriched under the provisions of P.L.382-1987(ss).

(g) "General fund" means a school corporation fund established under IC 21-2-11-2.

(h) "Teacher" means every person who is required as a condition of employment by a school corporation to hold a teacher's license issued or recognized by the state, except substitutes and any person paid entirely from federal funds.

(i) "Teacher ratio" of a school corporation used in computing state distribution in any calendar year means the ratio assigned to the school corporation pursuant to section 2 of this chapter.

(j) "Eligible pupil" means a pupil enrolled in a school corporation if:

- (1) the school corporation has the responsibility to educate the pupil in its public schools without the payment of tuition;
- (2) subject to subdivision (5), the school corporation has the responsibility to pay transfer tuition under IC 20-8.1-6.1, because the pupil is transferred for education to another school corporation (the "transferee corporation");
- (3) the pupil is enrolled in a school corporation as a transfer student under IC 20-8.1-6.1-3 or entitled to be counted for ADM or additional count purposes as a resident of the school corporation when attending its schools under any other applicable law or regulation;
- (4) the state is responsible for the payment of transfer tuition to the school corporation for the pupil under IC 20-8.1-6.1; or
- (5) all of the following apply:
 - (A) The school corporation is a transferee corporation.
 - (B) The pupil does not qualify as a qualified pupil in the transferee corporation under subdivision (3) or (4).
 - (C) The transferee corporation's attendance area includes a state licensed private or public health care facility, child care facility, or foster family home where the pupil was placed:
 - (i) by or with the consent of the division of family and children;
 - (ii) by a court order; or



(iii) by a child placing agency licensed by the division of family and children.

(k) "General fund budget" of a school corporation means the amount of the budget approved for a given year by the state board of tax commissioners and used by the state board of tax commissioners in certifying a school corporation's general fund tax levy and tax rate for the school corporation's general fund as provided for in IC 21-2-11.

SECTION 2. IC 21-3-3.1-2.1, AS AMENDED BY P.L.53-1996, SECTION 8 (CURRENT VERSION), IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2.1. (a) For each calendar year, the allowable transportation distribution for each school corporation shall be based on the following formula:

(1) The sum of two hundred seventy-five dollars (\$275) for 1988, and two hundred eighty dollars (\$280) for 1989 and thereafter, less the product of twenty dollars (\$20) multiplied by the linear density of the school corporation.

(2) This remainder is then multiplied by the number of the school corporation's eligible pupils.

(3) From this product is subtracted the product of forty-two cents (\$0.42) multiplied by each one hundred dollars (\$100) of the school corporation's assessed value for taxes first due and payable in the preceding year.

(b) Application of the formula in subsection (a) shall be governed and modified by the following provisions:

(1) In calendar year 1976, and subsequent years, no school corporation that receives funds under this chapter shall receive less money than the school corporation was entitled to receive in calendar year 1975 under IC 21-3-3 (repealed December 31, 1975).

(2) The linear density of the school corporation shall be determined by dividing the total number of eligible pupils by the round trip mileage of all vehicles used by or for the school corporation in transporting pupils.

(3) Eligible pupils are those counted in ADM, enrolled in grades K-12, and transported more than one (1) mile or a preschool child who is transported for purposes of attending a special education program under IC 20-1-6-14.1, regardless of the distance transported.

(4) The round trip mileage of a vehicle shall be the total miles traveled by the vehicle measured from the first point the vehicle picks up an eligible pupil to the last point at which an eligible pupil disembarks at school, multiplied by two (2).



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(5) A kindergarten pupil, to the extent the pupil constitutes an eligible pupil, ~~shall be~~ is counted as one-half (1/2) an eligible pupil **if the kindergarten pupil attends a half-day kindergarten program or one (1) eligible pupil if the kindergarten pupil attends a full-day kindergarten program.** A preschool pupil attending a special education program under IC 20-1-6-14.1 is counted as one (1) eligible pupil.

(6) All the factors, applied in sections 1 and 3 of this chapter for determining the transportation distribution for any school corporation for any calendar year, shall be those existing in the school year ending in the preceding calendar year.

(7) If subsection (a)(3) requires the use of the assessed valuation for a year in which a general reassessment becomes effective, the state shall make an adjustment in the assessed value used to neutralize the effect of the general reassessment. The adjustment applies to all subsequent years before another general reassessment becomes effective.

SECTION 3. IC 21-3-3.1-2.1, AS AMENDED BY P.L.6-1997, SECTION 195 (DELAYED VERSION), IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2001]: Sec. 2.1. (a) For each calendar year, the allowable transportation distribution for each school corporation shall be based on the following formula:

(1) The sum of two hundred seventy-five dollars (\$275) for 1988, and two hundred eighty dollars (\$280) for 1989 and thereafter, less the product of twenty dollars (\$20) multiplied by the linear density of the school corporation.

(2) This remainder is then multiplied by the number of the school corporation's eligible pupils.

(3) From this product is subtracted the product of thirteen and sixty-seven hundredths cents (\$.1367) multiplied by each one hundred dollars (\$100) of the school corporation's assessed value for taxes first due and payable in the preceding year.

(b) Application of the formula in subsection (a) shall be governed and modified by the following provisions:

(1) In calendar year 1976, and subsequent years, no school corporation that receives funds under this chapter shall receive less money than the school corporation was entitled to receive in calendar year 1975 under IC 21-3-3 (repealed December 31, 1975).

(2) The linear density of the school corporation shall be determined by dividing the total number of eligible pupils by the round trip mileage of all vehicles used by or for the school



corporation in transporting pupils.

(3) Eligible pupils are those counted in ADM, enrolled in grades K-12, and transported more than one (1) mile or a preschool child who is transported for purposes of attending a special education program under IC 20-1-6-14.1, regardless of the distance transported.

(4) The round trip mileage of a vehicle shall be the total miles traveled by the vehicle measured from the first point the vehicle picks up an eligible pupil to the last point at which an eligible pupil disembarks at school, multiplied by two (2).

(5) A kindergarten pupil, to the extent the pupil constitutes an eligible pupil, ~~shall be~~ is counted as one-half (1/2) an eligible pupil **if the kindergarten pupil attends a half-day kindergarten program or one (1) eligible pupil if the kindergarten pupil attends a full-day kindergarten program.** A preschool pupil attending a special education program under IC 20-1-6-14.1 is counted as one (1) eligible pupil.

(6) All the factors, applied in sections 1 and 3 of this chapter for determining the transportation distribution for any school corporation for any calendar year, shall be those existing in the school year ending in the preceding calendar year.

(7) If subsection (a)(3) requires the use of the assessed valuation for a year in which a general reassessment becomes effective, the state shall make an adjustment in the assessed value used to neutralize the effect of the general reassessment. The adjustment applies to all subsequent years before another general reassessment becomes effective.

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